

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

07 - 20398 CR-UNGARO
Case No.

MAGISTRATE JUDGE
OSVALDO

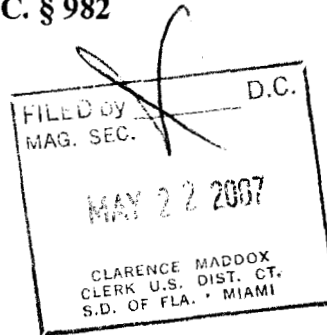
18 U.S.C. § 1349
18 U.S.C. § 1347
18 U.S.C. § 1956(h)
18 U.S.C. § 2
18 U.S.C. § 982

UNITED STATES OF AMERICA

vs.

MABEL DIAZ,
ABNER DIAZ,
SULEIDY CANO,
AMRY GARCIA, a/k/a "Pablo,"
DAVEL HERNANDEZ, a/k/a "Manny,"
RENE RAIMUNDO HERNANDEZ,
JOSE LUIS PALMA, JR., and
LUIS ENRIQUE GONZALEZ,

Defendants.



INDICTMENT

The Grand Jury charges that:

GENERAL ALLEGATIONS

At all times relevant to this Indictment:

1. The Medicare program was a federal health care program providing benefits to persons who were over the age of sixty-five or disabled. The Medicare program was administered by the Centers for Medicare and Medicaid Services ("CMS"), a federal agency under the United States Department of Health and Human Services ("HHS"). Individuals who received benefits

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under Medicare were referred to as Medicare “beneficiaries.” Medicare issues each beneficiary a unique Health Insurance Claim Number (“HICN”).

2. Part B of the Medicare program covered most out-patient services, including durable medical equipment (“DME”). DME is equipment which may be used in the home on a repeated basis for a medical purpose. DME suppliers who met certain criteria could obtain Medicare provider numbers, which allowed them to submit claims directly to Medicare seeking reimbursement for the cost of DME supplied to eligible Medicare beneficiaries. In order to receive payment from Medicare, the supplier was required to submit a health insurance claim form to Medicare. The claim form was required to state, among other things, the beneficiary’s name and HICN, the Healthcare Common Procedural Code Systems (HCPCS) code corresponding to the DME provided to the Medicare beneficiary, the date the DME was provided, the charge for the DME, and the name and Unique Physician Identification Number of the referring physician or other health care provider who had ordered or prescribed the services. The claim form could be submitted in hard copy or electronically. A supplier could contract with a billing company to prepare and transmit claims to Medicare on its behalf.

3. Medicare Part B was administered in Florida by Palmetto Government Benefits Administrators (“PGBA”), which, pursuant to contract with HHS, served as a fiscal intermediary to receive, adjudicate and pay Medicare Part B claims submitted to it by Medicare beneficiaries, physicians or suppliers of medical services or DME. Medicare Part B reimbursed suppliers directly for the cost of equipment provided to eligible Medicare beneficiaries provided that such equipment was ordered by a licensed physician who certified that the equipment was medically necessary for the beneficiary. Such physician certifications could be in the form of a prescription or a certificate

of medical necessity. A certificate of medical necessity was a form created by Medicare which was valid only if signed by a physician, and certified to the medical necessity of some types of DME. Medicare regulations required DME suppliers to maintain these prescriptions and certificates of medical necessity on file at their companies.

4. All-Med Billing Corp. (“All-Med”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about April 15, 1993 and was dissolved on or about September 15, 2006. It was in the business of , among other things, submitting claims to Medicare on behalf of DME suppliers.

5. Foxy Care of Florida, Inc. (“Foxy Care”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about March 31, 1995 and was dissolved on or about September 22, 2000. It was purportedly in the business of supplying DME to Medicare beneficiaries.

6. Complete Care Medical Equipment and Pharmacy, Inc. (“Complete Care”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about January 18, 1995 and was dissolved on or about September 21, 2001. It was purportedly in the business of supplying DME to Medicare beneficiaries.

7. Sandstar Services, Inc. (“Sandstar”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about August 13, 1999 and was dissolved on or about September 19, 2003. It was purportedly in the business of supplying DME to Medicare beneficiaries.

8. A Touch of Class Medical Supply, Inc. (“Touch of Class”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about December

2, 1996 and was dissolved on or about September 19, 2003. It was purportedly in the business of supplying DME to Medicare beneficiaries.

9. Florida Respiratory Medical Equipment, Inc. (“Florida Respiratory”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about April 1, 1994 and was dissolved on or about September 19, 2003. It was purportedly in the business of supplying DME to Medicare beneficiaries.

10. Quality Medical Rentals, Inc. (“Quality Medical”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about September 23, 1988 and was dissolved on or about September 19, 2003. It was purportedly in the business of supplying DME to Medicare beneficiaries.

11. Great D.M.E., Inc. (“Great D.M.E.”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about June 16, 2000 and was dissolved on or about October 4, 2002. It was purportedly in the business of supplying DME to Medicare beneficiaries.

12. J.A.B. Medical Supplies, Inc. (“J.A.B.”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about April 17, 2001 and was dissolved on or about September 19, 2003. It was purportedly in the business of supplying DME to Medicare beneficiaries.

13. Southeast Respiratory Care, Inc. (“Southeast Respiratory”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about November 12, 1991 and was dissolved on or about September 21, 2001, but continued submitting claims to

Medicare until on or about October 24, 2002. It was purportedly in the business of supplying DME to Medicare beneficiaries.

14. J & L Medical Equipment, Corp. (“J & L”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about June 15, 1995 and was dissolved on or about September 19, 2003. It was purportedly in the business of supplying DME to Medicare beneficiaries.

15. Just Medical Equipment & Services, Inc. (“Just Medical”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about October 13, 1999 and was dissolved on or about September 19, 2003. It was purportedly in the business of supplying DME to Medicare beneficiaries.

16. M.C.M. Medical Equipment & Sales, Inc. (“M.C.M.”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about February 6, 1996 and was dissolved on or about September 19, 2003. It was purportedly in the business of supplying DME to Medicare beneficiaries.

17. Miami Respiratory Care, Inc. (“Miami Respiratory”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about June 29, 1989 and was dissolved on or about September 19, 2003. It was purportedly in the business of supplying DME to Medicare beneficiaries.

18. J & J Home Medical Services, Inc. (“J & J”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about May 7, 2002 and was dissolved on or about October 1, 2004. It was purportedly in the business of supplying DME to Medicare beneficiaries.

19. All Star Medical Equipment and Supplies Inc. (“All Star”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about December 2, 2002 and was dissolved on or about September 16, 2005. It was purportedly in the business of supplying DME to Medicare beneficiaries.

20. A-1 Durable Medical Equipment and Supplies, Inc. (“A-1”) was a Florida corporation with a place of business in Broward County, Florida. It was incorporated on or about June 6, 2002 and was dissolved on or about September 16, 2005. It was purportedly in the business of supplying DME to Medicare beneficiaries.

21. Chaca Medical Services, Inc. (“Chaca”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about October 28, 2002 and was dissolved on or about October 1, 2004. It was purportedly in the business of supplying DME to Medicare beneficiaries.

22. King Medical Services & Supplies, Corp. (“King”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about April 19, 2002 and was dissolved on or about September 16, 2005. It was purportedly in the business of supplying DME to Medicare beneficiaries.

23. Lake Front Medical Equipment, Inc. (“Lake Front”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about September 21, 2001 and was dissolved on or about September 16, 2005. It was purportedly in the business of supplying DME to Medicare beneficiaries.

24. Lily Orthopedic, Inc. (“Lily”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about December 7, 1998 and was dissolved

on or about October 1, 2004. It was purportedly in the business of supplying DME to Medicare beneficiaries.

25. M & V Medical Equipment Corp. (“M & V”) was a Florida corporation with a place of business in Broward County, Florida. It was incorporated on or about July 24, 2002 and was dissolved on or about June 22, 2004. It was purportedly in the business of supplying DME to Medicare beneficiaries.

26. Medical Equipment In Your Hands Corp. (“In Your Hands ”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about April 4, 2002 and was dissolved on or about August 30, 2004. It was purportedly in the business of supplying DME to Medicare beneficiaries.

27. Medical Services Plus, Inc. (“Services Plus”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about February 4, 1994 and was dissolved on or about October 1, 2004. It was purportedly in the business of supplying DME to Medicare beneficiaries.

28. OTI Medical Equipment, Inc. (“OTI”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about November 9, 2001 and was dissolved on or about September 16, 2005. It was purportedly in the business of supplying DME to Medicare beneficiaries.

29. Premier Medical Service, Inc. (“Premier”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about June 25, 2001 and was dissolved on or about October 1, 2004. It was purportedly in the business of supplying DME to Medicare beneficiaries.

30. R.A.M.E. Medical Services, Inc. (“R.A.M.E.”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about September 6, 2002 and was dissolved on or about September 16, 2005. It was purportedly in the business of supplying DME to Medicare beneficiaries.

31. R.G. Medical Repair & Sales, Inc. (“R.G.”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about March 26, 1999 and was dissolved on or about September 16, 2005. It was purportedly in the business of supplying DME to Medicare beneficiaries.

32. Simply Medical Services, Inc. (“Simply Medical”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about August 7, 2002 and was dissolved on or about September 16, 2005. It was purportedly in the business of supplying DME to Medicare beneficiaries.

33. Sunset Medical Corp. (“Sunset”) was a Florida corporation with a place of business in Miami-Dade County, Florida. It was incorporated on or about March 16, 2000 and was dissolved on or about September 16, 2005. It was purportedly in the business of supplying DME to Medicare beneficiaries.

34. Defendant **MABEL DIAZ** managed and operated All-Med.

35. Defendant **ABNER DIAZ** was the President and Registered Agent of All-Med.

36. Defendant **SULEIDY CANO** was employed by All-Med to bill Medicare on behalf of DME suppliers.

37. Defendant **AMRY GARCIA, a/k/a “Pablo,”** managed and operated A-1 beginning on or about April 16, 2004.

38. Defendant **DAVEL HERNANDEZ, a/k/a “Manny,”** managed and operated A-1 beginning on or about April 16, 2004.

39. Defendant **RENE RAIMUNDO HERNANDEZ** was the President and Registered Agent of A-1 beginning on or about April 16, 2004.

40. Defendant **JOSE LUIS PALMA, JR.** was the President and Registered Agent of Simply Medical.

41. Defendant **LUIS ENRIQUE GONZALEZ** was the President and Registered Agent of Premier.

COUNT 1
Conspiracy to Commit Health Care Fraud
All-Med Billing Corp.
(18 U.S.C. § 1349)

1. Paragraphs 1 through 36 of the General Allegations section of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. Beginning in or around August 1998, and continuing through in or around August 2004, in Miami-Dade and Broward Counties, in the Southern District of Florida, and elsewhere, the defendants,

MABEL DIAZ,
ABNER DIAZ, and
SULEIDY CANO,

did knowingly and willfully combine, conspire, confederate and agree with each other, and with persons known and unknown to the Grand Jury, to violate Title 18, United States Code, Section 1347, that is, to execute a scheme and artifice to defraud a health care benefit program affecting commerce, as defined in Title 18, United States Code, Section 24(b), that is, Medicare, and to obtain,

by means of materially false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of, said health care benefit program, in connection with the delivery of and payment for health care benefits, items, and services.

Purpose of the Conspiracy

3. It was the purpose of the conspiracy for the defendants and their co-conspirators to unlawfully enrich themselves by, among other things, (a) submitting or causing the submission of false and fraudulent claims to Medicare; (b) concealing the submission of false and fraudulent Medicare claims; and/or (c) diverting fraud proceeds for the personal use and benefit of the defendants, their co-conspirators, and others.

Manner and Means of the Conspiracy

The manner and means by which the defendants and their co-conspirators sought to accomplish the object and purpose of the conspiracy included, among others, the following:

4. Co-conspirators obtained ownership and control of DME suppliers.
5. To conceal the co-conspirators' ownership and control of the DME suppliers, other co-conspirators were designated as the corporate officers and agents on documents provided to the Florida Department of State, Division of Corporations and Medicare.
6. Co-conspirators, with the assistance of **MABEL DIAZ** and **ABNER DIAZ**, improperly acquired Medicare beneficiaries' personal information, including their names and HICNs.
7. **MABEL DIAZ, SULEIDY CANO**, and other co-conspirators forged prescriptions and certificates of medical necessity purporting to order DME; altered prescriptions and certificates of medical necessity after they had been signed by physicians such that the documents purported to

order DME; and obtained prescriptions and certificates of medical necessity purporting to order DME, knowing that the patients had no medical need for the DME.

8. Beginning on or about the dates indicated below, and continuing through on or about the dates indicated below, **MABEL DIAZ, ABNER DIAZ, SULEIDY CANO**, and other co-conspirators submitted and caused the submission of false and fraudulent Medicare claims on behalf of the DME suppliers indicated below, seeking at least approximately the amounts indicated below in reimbursement for DME which was neither ordered by a physician nor provided to the beneficiary as claimed. Based on these false and fraudulent claims, Medicare paid the DME suppliers approximately the following amounts:

Begin date	End date	DME supplier	Claimed amount	Paid amount
August 12, 1998	December 8, 1999	Foxy Care	\$1,659,938.63	\$906,829.18
July 28, 1999	December 22, 2000	Complete Care	\$2,207,795.80	\$1,065,260.32
March 29, 2000	August 26, 2001	Sandstar	\$1,554,735.72	\$1,117,836.38
February 11, 2000	July 3, 2001	Touch of Class	\$804,270.81	\$542,066.17
July 17, 2000	February 22, 2001	Florida Respiratory	\$295,785.81	\$212,153.76
October 10, 2001	October 25, 2002	Quality Medical	\$3,522,790.00	\$2,322,819.43
October 3, 2001	August 23, 2002	Great D.M.E.	\$2,433,230.00	\$1,634,510.54
October 2, 2001	August 28, 2002	J.A.B.	\$3,366,390.00	\$2,235,884.36
August 16, 2001	October 24, 2002	Southeast Respiratory	\$3,255,960.00	\$2,106,467.21
April 20, 2002	October 25, 2002	J & L	\$2,717,230.00	\$1,715,957.24
March 7, 2001	August 21, 2002	Just Medical	\$4,322,601.00	\$2,855,185.85
November 16, 2001	August 14, 2002	M.C.M.	\$2,853,870.00	\$1,754,939.79
November 5, 2001	August 30, 2002	Miami Respiratory	\$2,280,060.00	\$1,408,315.17

Begin date	End date	DME supplier	Claimed amount	Paid amount
October 15, 2002	June 15, 2003	J & J	\$385,300.00	\$272,898.27
August 12, 2004	August 12, 2004	All Star	\$1,003,990.00	\$73,184.41
April 29, 2004	May 28, 2004	A-1	\$2,890,550.40	\$2,151,952.43
March 17, 2004	June 3, 2004	Chaca	\$4,050,355.66	\$3,119,757.10
May 17, 2004	June 28, 2004	King	\$2,801,780.00	\$2,224,226.35
May 25, 2004	June 28, 2004	Lake Front	\$1,457,972.08	\$1,097,942.68
December 8, 2003	June 28, 2004	Lily	\$5,005,162.00	\$3,818,369.13
March 12, 2004	June 22, 2004	M & V	\$3,130,544.20	\$2,417,075.39
March 16, 2004	June 28, 2004	In Your Hands	\$6,899,744.54	\$5,238,209.52
January 22, 2004	June 28, 2004	Services Plus	\$7,174,085.00	\$5,656,066.37
March 19, 2004	June 23, 2004	OTI	\$1,507,480.00	\$1,199,852.98
April 4, 2002	February 24, 2004	Premier	\$2,543,245.00	\$1,676,821.05
May 6, 2004	June 15, 2004	R.A.M.E.	\$1,807,683.78	\$1,309,588.44
April 23, 2004	June 22, 2004	R.G.	\$3,222,260.00	\$2,569,956.30
July 11, 2003	June 14, 2004	Simply Medical	\$1,750,310.00	\$1,342,550.93
February 24, 2004	April 13, 2004	Sunset	\$2,791,645.00	\$2,179,273.93
Total:			\$79,506,215.43	\$56,231,594.83

9. **MABEL DIAZ, ABNER DIAZ, SULEIDY CANO** and other co-conspirators obtained control of the funds paid to the DME suppliers by Medicare and diverted these monies for their personal use and benefit, as well as that of others.

All in violation of Title 18, United States Code, Section 1349.

COUNT 2
Conspiracy to Commit Health Care Fraud
A-1 Durable Medical Equipment and Supplies, Inc.
(18 U.S.C. § 1349)

1. Paragraphs 1-3, 20, and 37-39 of the General Allegations section of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. Beginning in or around April 2004, and continuing through in or around August 2004, in Miami-Dade and Broward Counties, in the Southern District of Florida, and elsewhere, the defendants,

AMRY GARCIA, a/k/a Pablo,
DAVEL HERNANDEZ, a/k/a Manny, and
RENE RAIMUNDO HERNANDEZ,

did knowingly and willfully combine, conspire, confederate and agree with each other, and with persons known and unknown to the Grand Jury, to violate Title 18, United States Code, Section 1347, that is, to execute a scheme and artifice to defraud a health care benefit program affecting commerce, as defined in Title 18, United States Code, Section 24(b), that is, Medicare, and to obtain, by means of materially false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of, said health care benefit program, in connection with the delivery of and payment for health care benefits, items, and services.

Purpose of the Conspiracy

3. It was the purpose of the conspiracy for the defendants and their co-conspirators to unlawfully enrich themselves by, among other things, (a) submitting or causing the submission of false and fraudulent claims to Medicare; (b) concealing the submission of false and fraudulent

Medicare claims; and/or (c) diverting fraud proceeds for the personal use and benefit of the defendants, their co-conspirators, and others.

Manner and Means of the Conspiracy

The manner and means by which the defendants and their co-conspirators sought to accomplish the object and purpose of the conspiracy included, among others, the following:

4. **AMRY GARCIA, DAVEL HERNANDEZ, and RENE RAIMUNDO HERNANDEZ** obtained ownership and control of A-1.

5. To conceal **AMRY GARCIA** and **DAVEL HERNANDEZ**'s ownership and control of A-1, **RENE RAIMUNDO HERNANDEZ** was designated as the corporate officer and agent on documents provided to the Florida Department of State, Division of Corporations and Medicare.

6. Beginning on or about April 29, 2004, and continuing through on or about May 28, 2004, **AMRY GARCIA, DAVEL HERNANDEZ, RENE RAIMUNDO HERNANDEZ,** and their co-conspirators submitted false and fraudulent Medicare claims on behalf of A-1, seeking at least approximately \$2,890,550.40 in reimbursement for DME which was neither ordered by a physician nor provided to the beneficiary as claimed. Based on these false and fraudulent claims, Medicare paid A-1 approximately \$2,151,952.43.

7. **AMRY GARCIA, DAVEL HERNANDEZ, RENE RAIMUNDO HERNANDEZ,** and other co-conspirators obtained control of the funds paid to A-1 by Medicare and diverted these monies for their personal use and benefit, as well as that of others.

All in violation of Title 18, United States Code, Section 1349.

COUNT 3
Conspiracy to Commit Health Care Fraud
Simply Medical Services, Inc.
(18 U.S.C. § 1349)

1. Paragraphs 1-3, 32, and 40-41 of the General Allegations section of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. Beginning in or around August 2002, and continuing through in or around August 2004, in Miami-Dade and Broward Counties, in the Southern District of Florida, and elsewhere, the defendants,

JOSE LUIS PALMA, JR. and
LUIS ENRIQUE GONZALEZ,

did knowingly and willfully combine, conspire, confederate and agree with each other and with persons known and unknown to the Grand Jury, to violate Title 18, United States Code, Section 1347, that is, to execute a scheme and artifice to defraud a health care benefit program affecting commerce, as defined in Title 18, United States Code, Section 24(b), that is, Medicare, and to obtain, by means of materially false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of, said health care benefit program, in connection with the delivery of and payment for health care benefits, items, and services.

Purpose of the Conspiracy

3. It was the purpose of the conspiracy for the defendants and their co-conspirators to unlawfully enrich themselves by, among other things, (a) submitting or causing the submission of false and fraudulent claims to Medicare; (b) concealing the submission of false and fraudulent Medicare claims; and/or (c) diverting fraud proceeds for the personal use and benefit of the defendants, their co-conspirators, and others.

Manner and Means of the Conspiracy

The manner and means by which the defendants and their co-conspirators sought to accomplish the object and purpose of the conspiracy included, among others, the following:

4. **JOSE LUIS PALMA, JR.** and **LUIS ENRIQUE GONZALEZ** obtained ownership and control of Simply Medical.

5. To conceal **LUIS GONZALEZ**'s ownership and control of Simply Medical, **JOSE LUIS PALMA, JR.** was designated as the corporate officer and agent on documents provided to the Florida Department of State, Division of Corporations and Medicare.

6. Beginning on or about July 11, 2003, and continuing through on or about June 14, 2004, **JOSE LUIS PALMA, JR.**, **LUIS ENRIQUE GONZALEZ**, and their co-conspirators submitted false and fraudulent Medicare claims on behalf of Simply Medical, seeking at least approximately \$1,750,310.00 in reimbursement for DME which was neither ordered by a physician nor provided to the beneficiary as claimed. Based on these false and fraudulent claims, Medicare paid Simply approximately \$1,342,550.93.

7. **JOSE LUIS PALMA, JR.**, **LUIS ENRIQUE GONZALEZ**, and their co-conspirators obtained control of the funds paid to Simply Medical by Medicare and diverted these monies for their personal use and benefit, as well as that of others.

All in violation of Title 18, United States Code, Section 1349.

COUNTS 4-45
Health Care Fraud
(18 U.S.C. §§ 1347 and 2)

1. Paragraphs 1 through 41 of the General Allegations section of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. Beginning in or around August 1998, and continuing through in or around August 2004, in Miami-Dade and Broward Counties, in the Southern District of Florida, and elsewhere, the defendants,

**MABEL DIAZ,
ABNER DIAZ,
SULEIDY CANO,
AMRY GARCIA, a/k/a “Pablo,”
DAVEL HERNANDEZ, a/k/a “Manny,”
RENE RAIMUNDO HERNANDEZ,
JOSE LUIS PALMA, JR., and
LUIS ENRIQUE GONZALEZ,**

in connection with the delivery of and payment for health care benefits, items, and services, did knowingly and willfully execute, and attempt to execute, a scheme and artifice to defraud a health care benefit program, as defined in Title 18, United States Code, Section 24(b), that is, Medicare, and to obtain, by means of materially false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of Medicare, in connection with the delivery of and payment for health care benefits, items, and services.

Purpose of the Scheme and Artifice

3. It was the purpose of the scheme and artifice for the defendants and their accomplices to unlawfully enrich themselves by, among other things, (a) submitting or causing the submission of false and fraudulent claims to Medicare; (b) concealing the submission of false and fraudulent

Medicare claims; and/or (c) diverting fraud proceeds for the personal use and benefit of the defendants, their co-conspirators, and others.

The Scheme and Artifice

The manner and means by which the defendants and their accomplices sought to accomplish the scheme and artifice included, among others, the following:

4. **AMRY GARCIA, DAVEL HERNANDEZ, RENE RAIMUNDO HERNANDEZ, JOSE LUIS PALMA, JR., LUIS ENRIQUE GONZALEZ,** and other accomplices obtained ownership and control of DME suppliers.

5. To conceal **AMRY GARCIA, DAVEL HERNANDEZ, LUIS ENRIQUE GONZALEZ,** and other accomplices' ownership and control of the DME suppliers, **RENE RAIMUNDO HERNANDEZ, JOSE LUIS PALMA, JR.** and other accomplices were designated as the corporate officers and agents on documents provided to the Florida Department of State, Division of Corporations and Medicare.

6. Accomplices, with the assistance of **MABEL DIAZ** and **ABNER DIAZ**, improperly acquired Medicare beneficiaries' personal information, including their names and HICNs.

7. **MABEL DIAZ, SULEIDY CANO,** and other accomplices forged prescriptions and certificates of medical necessity purporting to order DME; altered prescriptions and certificates of medical necessity after they had been signed by physicians such that the documents purported to order DME; and obtained prescriptions and certificates of medical necessity purporting to order DME, knowing that the patients had no medical need for the DME.

8. The tabular portion of paragraph 8 of Count 1 of this Indictment is realleged and incorporated by reference as though fully set forth herein. Beginning on or about the dates indicated,

and continuing through on or about the dates indicated, **MABEL DIAZ, ABNER DIAZ, SULEIDY CANO, AMRY GARCIA, DAVEL HERNANDEZ, RENE RAIMUNDO HERNANDEZ, JOSE LUIS PALMA, JR., LUIS ENRIQUE GONZALEZ**, and other accomplices submitted and caused the submission of false and fraudulent Medicare claims on behalf of the DME suppliers indicated, seeking at least approximately the amounts indicated in reimbursement for DME which was neither ordered by a physician nor provided to the beneficiary as claimed. Based on these false and fraudulent claims, Medicare paid the DME suppliers approximately the amounts indicated.

9. **MABEL DIAZ, ABNER DIAZ, SULEIDY CANO, AMRY GARCIA, DAVEL HERNANDEZ, RENE RAIMUNDO HERNANDEZ, JOSE LUIS PALMA, JR., LUIS ENRIQUE GONZALEZ**, and other accomplices obtained control of the funds paid to the DME suppliers by Medicare and diverted these monies for their personal use and benefit, as well as that of others.

Acts in Execution of the Scheme and Artifice

10. On or about the dates specified as to each count below, in the Southern District of Florida, and elsewhere, the identified defendants, in connection with the delivery of and payment for health care benefits, items, and services, did knowingly and willfully execute, and attempt to execute, the above-described scheme and artifice to defraud a health care benefit program, that is, Medicare, and to obtain, by means of materially false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of said health care benefit program, in that they submitted Medicare claims for approximately the identified dollar amounts, and represented that, on or about the identified dates of service, the identified DME suppliers had

provided the identified DME to the identified beneficiaries pursuant to physicians' orders or prescriptions:

Count	Claim Date	Defendants	DME Supplier	Beneficiary	Purported Service Date	DME	Claimed Amount
4	08/02/02	MABEL DIAZ ABNER DIAZ SULEIDY CANO	Just Medical	AR	07/26/02	L6250 Above Elb Internal Lock Elb Forearm	\$5,000
5	08/07/02	MABEL DIAZ ABNER DIAZ SULEIDY CANO	Quality Medical	MC	07/26/02	L6250 Above Elb Internal Lock Elb Forearm	\$5,000
6	11/12/02	MABEL DIAZ ABNER DIAZ SULEIDY CANO	J & J	JD	11/11/02	L1970 Afo plastic molded w/ankle j	\$1,400
7	11/12/02	MABEL DIAZ ABNER DIAZ SULEIDY CANO	J & J	EE	11/11/02	L1970 Afo plastic molded w/ankle j	\$1,400
8	02/24/03	MABEL DIAZ ABNER DIAZ SULEIDY CANO	J & J	EE	01/21/03	L2037 Kafo plas sing free knee mol	\$2,600
9	02/24/03	MABEL DIAZ ABNER DIAZ SULEIDY CANO	J & J	FD	1/10/03	L2037 Kafo plas sing free knee mol	\$2,600
10	02/24/03	MABEL DIAZ ABNER DIAZ SULEIDY CANO	J & J	GP	12/29/02	L2037 Kafo plas sing free knee mol	\$2,600
11	12/29/03	MABEL DIAZ ABNER DIAZ SULEIDY CANO	All Star	LG	12/28/03	E0277 Powered pres-redu air mattrrs	\$750
12	04/23/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO	All Star	LG	03/25/04	E1390 Oxygen concentrator	\$300
13	08/12/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO	All Star	VT	07/14/04	L6570 Scap thorac prosth tiss shap	\$2,900

Count	Claim Date	Defendants	DME Supplier	Beneficiary	Purported Service Date	DME	Claimed Amount
14	04/30/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO AMRY GARCIA DAVEL HERNANDEZ RENE HERNANDEZ	A-1	LB	04/05/04	L5595 Hip disartic sac h thermopls	\$6,840
15	04/30/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO AMRY GARCIA DAVEL HERNANDEZ RENE HERNANDEZ	A-1	MC	04/05/04	L5595 Hip disartic sac h thermopls	\$6,840
16	04/30/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO AMRY GARCIA DAVEL HERNANDEZ RENE HERNANDEZ	A-1	RB	04/05/04	L5595 Hip disartic sac h thermopls	\$6,840
17	04/30/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO AMRY GARCIA DAVEL HERNANDEZ RENE HERNANDEZ	A-1	ER	04/06/04	L5595 Hip disartic sac h thermopls	\$6,840
18	04/30/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO AMRY GARCIA DAVEL HERNANDEZ RENE HERNANDEZ	A-1	VT	04/12/04	L5500 Init bk ptb plaster direct	\$2,080
19	05/04/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO AMRY GARCIA DAVEL HERNANDEZ RENE HERNANDEZ	A-1	MN	04/06/04	L5595 Hip disartic sac h thermopls	\$6,840

Count	Claim Date	Defendants	DME Supplier	Beneficiary	Purported Service Date	DME		Claimed Amount
20	04/27/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO	Chaca	CD	03/08/04	L5700	Replace socket below knee	\$2,310
21	04/27/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO	Chaca	RL	03/23/04	L5700	Replace socket below knee	\$2,310
22	05/17/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO	King	EM	04/26/04	L5341	Hemipelvectomy canadian SACH	\$7,000
23	05/17/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO	King	FC	04/27/04	L5341	Hemipelvectomy canadian SACH	\$7,000
24	05/27/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO	Lake Front	ES	11/07/03	L5700	Replace socket below knee	\$2,310
25	06/04/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO	Lake Front	JL	11/06/03	L5341	Hemipelvectomy canadian S	\$3,500
26	02/03/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO	Lily	AH	01/26/04	L6590	Shdr fair lead cable direct	\$2,300
27	02/03/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO	Lily	JQ	01/27/04	L6590	Shdr fair lead cable direct	\$2,300
28	04/23/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO	In Your Hands	ZY	03/31/04	L6130	Elbow stump activated lock h	\$1,700
29	04/23/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO	In Your Hands	JC	04/12/04	L6570	Scap thorac prosth tiss shap	\$2,900
30	03/10/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO	Services Plus	JF	02/24/04	L6693	Lockingelbow forearm cntrbal	\$2,320

Count	Claim Date	Defendants	DME Supplier	Beneficiary	Purported Service Date	DME		Claimed Amount
31	03/10/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO	Services Plus	JR	02/25/04	L6693	Lockingelbow forearm cntrbal	\$2,320
32	10/10/03	MABEL DIAZ ABNER DIAZ SULEIDY CANO LUIS GONZALEZ	Premier	NN	10/01/03	L6646	Up Ext Add Shldr Jnt Mx Pstn Sys	\$2700
33	01/06/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO LUIS GONZALEZ	Premier	EB	12/23/03	L6582	Prep Wrst Disartc Elb Sckt Dir Form	\$1,500
34	04/20/02	MABEL DIAZ ABNER DIAZ SULEIDY CANO LUIS GONZALEZ	Premier	AR	04/10/02	L3962	Sewho Abduct Pstn Erbs Pals Desn	\$1,300
35	09/27/02	MABEL DIAZ ABNER DIAZ SULEIDY CANO LUIS GONZALEZ	Premier	VN	09/27/02	L3901	Whfo Dyn Flx Hng Cable Driven Cstm	\$2,800
36	10/09/02	MABEL DIAZ ABNER DIAZ SULEIDY CANO LUIS GONZALEZ	Premier	SC	10/01/02	L1005	Tension Based Scoliosis Orthos	\$2,900
37	05/02/03	MABEL DIAZ ABNER DIAZ SULEIDY CANO LUIS GONZALEZ	Premier	NM	04/22/03	L6050	Wrst Dsrct Mold Sckt Flxbl Elb Hng	\$3,400
38	06/08/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO	R. G.	SD	05/10/04	L6570	Scap thorac prosth tiss shap	\$2,900
39	06/10/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO	R. G.	VP	05/13/04	L6570	Scap thorac prosth tiss shap	\$2,900

Count	Claim Date	Defendants	DME Supplier	Beneficiary	Purported Service Date	DME		Claimed Amount
40	12/22/03	MABEL DIAZ ABNER DIAZ SULEIDY CANO JOSE LUIS PALMA, JR. LUIS GONZALEZ	Simply Medical	SC	12/11/03	L6200	Elbow mold outsid lock hi	\$2,010
41	12/26/03	MABEL DIAZ ABNER DIAZ SULEIDY CANO JOSE LUIS PALMA, JR. LUIS GONZALEZ	Simply Medical	RD	12/18/03	L6582	Wrist/elbow bowden cbl di	\$1,500
42	01/01/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO JOSE LUIS PALMA, JR. LUIS GONZALEZ	Simply Medical	LS	12/22/03	L6638	Elec lock on manual pw el	\$2,010
43	01/27/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO JOSE LUIS PALMA, JR. LUIS GONZALEZ	Simply Medical	HC	01/14/04	L6648	Ext pwrld shlder lock/unlock	\$2,200
44	03/31/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO JOSE LUIS PALMA, JR. LUIS GONZALEZ	Simply Medical	MA	03/21/04	L5341	Hemipelvectomy canadian SACH	\$7,000
45	03/31/04	MABEL DIAZ ABNER DIAZ SULEIDY CANO JOSE LUIS PALMA, JR. LUIS GONZALEZ	Simply Medical	FG	03/24/04	L5700	Replace socket below knee	\$4,620

In violation of Title 18, United States Code, Sections 1347 and 2.

COUNT 46
Conspiracy to Commit Money Laundering
(18 U.S.C. § 1956(h))

Beginning in or around June 2002, and continuing through in or around July 2004, in Miami-Dade County, in the Southern District of Florida, the defendants,

MABEL DIAZ and
ABNER DIAZ,

did willfully, that is, with the intent to further the object of the conspiracy, and knowingly combine, conspire, confederate, and agree with each other to commit a violation of Title 18, United States Code, Section 1957, that is, to knowingly engage in a monetary transaction affecting interstate commerce, such transaction involving criminally derived property of a value greater than \$10,000 and such property having been derived from specified unlawful activity.

It is further alleged that the specified unlawful activity is health care fraud, in violation of Title 18, United States Code, Section 1347.

All in violation of Title 18, United States Code, Section 1956(h).

CRIMINAL FORFEITURE
(18 U.S.C. § 982)

1. The allegations of Counts 1- 46 of this Indictment are realleged and incorporated by reference as though fully set forth herein for the purpose of alleging forfeiture to the United States of America of certain property in which the defendants have an interest.

2. Upon conviction of any violation of Title 18, United States Code, Section 1349 or Title 18, United States Code, Section 1347, the defendants shall forfeit to the United States any property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds

traceable to the commission of the offense, pursuant to Title 18, United States Code, Section 982(a)(7).

3. Upon conviction of any violation of Title 18, United States Code, Section 1956, the defendants shall forfeit to the United States any property real or personal, involved in such offense or any property traceable to such property, pursuant to Title 18, United States Code, Section 982(a)(1).

4. The property which is subject to forfeiture includes but is not limited to the following:

a. A money judgment in the amount of at least \$55,445,054.40, which represents gross proceeds of the fraud;

b. United States Currency as follows: \$32,292 seized from the residence of **MABEL DIAZ** and **ABNER DIAZ**, 14813 NW 87th Pl., Miami Lakes, FL 33018, on August 18, 2004.

c. All funds on deposit at Bank of America, account number, 001596192468, in the name of All-Med Billing Corp.;

d. All funds on deposit at Bank of America, account number, 001464435546, in the name of **ABNER DIAZ** or **MABEL DIAZ**;

5. Pursuant to Title 21 United States Code, Section 853(p), as incorporated by reference by Title 18, United States Code, Section 982(b), if the property described above as being subject to forfeiture, as a result of any act or omission of the defendants,

a. cannot be located upon the exercise of due diligence;

b. has been transferred or sold to, or deposited with a third person;

c. has been placed beyond the jurisdiction of the Court;

d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States to seek forfeiture of any other property of the defendants up to the value of the above forfeitable property and, in addition, to require the defendants to return any such property to the jurisdiction of the court for seizure and forfeiture, including, but not limited, to the following property:

a. Real property located at 14813 NW 87th Pl., Miami Lakes, FL, and more particularly described as Lot 12, in Block 3, of West Lake Gardens First Addition, according to the plat thereof, as recorded in Plat Book 148, at Page 76, of the Public Records of Dade County, Florida, in the names of **MABEL DIAZ** and **ABNER DIAZ**;

b. Real property located at 2295 SW 9 St., Miami, FL, and more particularly described as Lot 27 and 28, Block 1, Less the North 6 feet thereof, to Bryan Park Subdivision, according to the Plat thereof, as Recorded in Plat Book 5, at Page 69 of the Public Records of Miami-Dade County, Florida, in the name of A&M Holdings Group, Inc.;

c. Real property located at 8020 W. 23 Ave., Unit 4 Bldg. A, Hialeah, FL, and more particularly described as Unit No. 4, Building A, of FMG INDUSTRIAL CONDOMINIUM, according to the Declaration of Condominium thereof as recorded in Official Records Book 21500 at Page 0963, under Clerk's File No. 20030550841, in the Public Records of Miami-Dade County, Florida, in the name of A&M Holdings Group, Inc.;

d. Real property located at 694 Mirror Lakes Ct., Lehigh Acres, FL 33936 , and more particularly described as Lot 27, Block 27, Unit 9, Section 16, Township 45 South, Range 27 East,

LEHIGH ACRES, according to the plat thereof, recorded in Plat Book 27, Page 172, of the Public Records of Lee County, Florida, in the name of **ABNER DIAZ**;

e. Real property located at 6288 NW 186 St., #204, Hialeah, FL 33015, and more particularly described as Building 6288, Unit 204, MEDITERRANEAN VILLAS, a Condominium according to the Declaration of Condominium thereof, as recorded in Official Records Book 24438, at Page 4037, of the Public Records of Miami-Dade County, Florida; together with an undivided interest in the common elements appurtenant thereto, in the name of **SULEIDY CANO**;

f. Real property located at 1240 NE 42 Ave., Homestead, FL, and more particularly described as Lot 32, Block 2, of Cristy's Homes, according to the plat thereof, as recorded in Plat Book 163, Page 38, of the Public Records of Miami Dade Conty, Florida, in the name of **RENE HERNANDEZ**;

g. 206 pieces of jewelry seized from the residence of **MABEL DIAZ** and **ABNER DIAZ**, 14813 NW 87th Pl., Miami Lakes, FL 33018, on August 18, 2004.

All pursuant to Title 18, United States Code, Section 982(a)(7) and (a)(1) and the procedures outlined in Title 21, United States Code, Section 853.

A TRUE BILL *of* *17*

FOREPERSON

R. Alexander Acosta

R. ALEXANDER ACOSTA
UNITED STATES ATTORNEY

Marc Osborne

MARC OSBORNE
ASSISTANT UNITED STATES ATTORNEY